

Schedule C — Changes Within the LIFO Inventory Method (see instructions)**Part I General LIFO Information**

Complete this section if the requested change involves changes within the LIFO inventory method. Also, attach a copy of all Forms 970, Application To Use LIFO Inventory Method, filed to adopt or expand the use of the LIFO method.

- 1 Attach a description of the applicant's present and proposed LIFO methods and submethods for each of the following items:
 - a Valuing inventory (e.g., unit method or dollar-value method).
 - b Pooling (e.g., by line or type or class of goods, natural business unit, multiple pools, raw material content, simplified dollar-value method, inventory price index computation (IPIC) pools, etc.).
 - c Pricing dollar-value pools (e.g., double-extension, index, link-chain, link-chain index, IPIC method, etc.).
 - d Determining the current year cost of goods in the ending inventory (e.g., most recent purchases, earliest acquisitions during the year, average cost of purchases during the year, etc.).
- 2 If any present method or submethod used by the applicant is not the same as indicated on Form(s) 970 filed to adopt or expand the use of the method, attach an explanation.
- 3 If the proposed change is not requested for all the LIFO inventory, specify the inventory to which the change is and is not applicable.
- 4 If the proposed change is not requested for all of the LIFO pools, specify the LIFO pool(s) to which the change is applicable.
- 5 Attach a statement addressing whether the applicant values any of its LIFO inventory on a method other than cost. For example, if the applicant values some of its LIFO inventory at retail and the remainder at cost, the applicant should identify which inventory items are valued under each method.
- 6 If changing to the IPIC method, attach a completed Form 970 and a statement indicating the indexes, tables, and categories the applicant proposes to use.

Part II Change in Pooling Inventories

- 1 If the applicant is proposing to change its pooling method or the number of pools, attach a description of the contents of, and state the base year for, each dollar-value pool the applicant presently uses and proposes to use.
- 2 If the applicant is proposing to use natural business unit (NBU) pools or requesting to change the number of NBU pools, attach the following information (to the extent not already provided) in sufficient detail to show that each proposed NBU was determined under Regulations section 1.472-8(b)(1) and (2):
 - a A description of the types of products produced by the applicant. If possible, attach a brochure.
 - b A description of the types of processes and raw materials used to produce the products in each proposed pool.
 - c If all of the products to be included in the proposed NBU pool(s) are not produced at one facility, the applicant should explain the reasons for the separate facilities, indicate the location of each facility, and provide a description of the products each facility produces.
 - d A description of the natural business divisions adopted by the taxpayer. State whether separate cost centers are maintained and if separate profit and loss statements are prepared.
 - e A statement addressing whether the applicant has inventories of items purchased and held for resale that are not further processed by the applicant, including whether such items, if any, will be included in any proposed NBU pool.
 - f A statement addressing whether all items including raw materials, goods-in-process, and finished goods entering into the entire inventory investment for each proposed NBU pool are presently valued under the LIFO method. Describe any items that are not presently valued under the LIFO method that are to be included in each proposed pool.
 - g A statement addressing whether, within the proposed NBU pool(s), there are items both sold to unrelated parties and transferred to a different unit of the applicant to be used as a component part of another product prior to final processing.
- 3 If the applicant is engaged in manufacturing and is proposing to use the multiple pooling method or raw material content pools, attach information to show that each proposed pool will consist of a group of items that are substantially similar. See Regulations section 1.472-8(b)(3).
- 4 If the applicant is engaged in the wholesaling or retailing of goods and is requesting to change the number of pools used, attach information to show that each of the proposed pools is based on customary business classifications of the applicant's trade or business. See Regulations section 1.472-8(c).

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Schedule D — Change in the Treatment of Long-Term Contracts Under Section 460, Inventories, or Other Section 263A Assets (see instructions)**Part I Change in Reporting Income From Long-Term Contracts (Also complete Part III on pages 7 and 8.)**

- 1 To the extent not already provided, attach a description of the applicant's present and proposed methods for reporting income and expenses from long-term contracts. If the applicant is a construction contractor, include a detailed description of its construction activities.
- 2a Are the applicant's contracts long-term contracts as defined in section 460(f)(1) (see instructions)? ☐ Yes ☐ No
- b If "Yes," do all the contracts qualify for the exception under section 460(e) (see instructions)? ☐ Yes ☐ No
If line 2b is "No," attach an explanation.
- c If line 2b is "Yes," is the applicant requesting to use the percentage-of-completion method using cost-to-cost under Regulations section 1.460-4(b)? ☐ Yes ☐ No
- d If line 2c is "No," is the applicant requesting to use the exempt-contract percentage-of-completion method under Regulations section 1.460-4(c)(2)? ☐ Yes ☐ No
If line 2d is "Yes," explain what cost comparison the applicant will use to determine a contract's completion factor.
- If line 2d is "No," explain what method the applicant is using and the authority for its use.
- 3a Does the applicant have long-term manufacturing contracts as defined in section 460(f)(2)? ☐ Yes ☐ No
- b If "Yes," explain the applicant's present and proposed method(s) of accounting for long-term manufacturing contracts.
- c Describe the applicant's manufacturing activities, including any required installation of manufactured goods.
- 4 To determine a contract's completion factor using the percentage-of-completion method:
- a Will the applicant use the cost-to-cost method in Regulations section 1.460-4(b)? ☐ Yes ☐ No
- b If line 4a is "No," is the applicant electing the simplified cost-to-cost method (see section 460(b)(3) and Regulations section 1.460-5(c))? ☐ Yes ☐ No
- 5 Attach a statement indicating whether any of the applicant's contracts are either cost-plus long-term contracts or Federal long-term contracts.

Part II Change in Valuing Inventories Including Cost Allocation Changes (Also complete Part III on pages 7 and 8.)

- 1 Attach a description of the inventory goods being changed. see statement 2
- 2 Attach a description of the inventory goods (if any) NOT being changed. see statement 2
- 3 If the applicant is subject to section 263A, is its present inventory valuation method in compliance with section 263A (see instructions)? ☐ Yes ☐ No

4a Check the appropriate boxes below.**Identification methods:**

- Specific identification
- FIFO
- LIFO
- Other (attach explanation)

Valuation methods:

- Cost
- Cost or market, whichever is lower
- Retail cost
- Retail, lower of cost or market
- Other (attach explanation)

Inventory Being Changed		Inventory Not Being Changed
Present method	Proposed method	Present method
X	X	
X	X	
281,104	302,500	

- b Enter the value at the end of the tax year preceding the year of change
- 5 If the applicant is changing from the LIFO inventory method to a non-LIFO method, attach the following information (see instructions).
- a Copies of Form(s) 970 filed to adopt or expand the use of the method.
- b Only for applicants requesting advance consent. A statement describing whether the applicant is changing to the method required by Regulations section 1.472-6(a) or (b), or whether the applicant is proposing a different method.
- c Only for applicants requesting an automatic change. Attach the statement required by section 10.01(4) of the Appendix of Rev. Proc. 2002-9 (or its successor).

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Part III Method of Cost Allocation (Complete this part if the requested change involves either property subject to section 263A or long-term contracts as described in section 460 (see instructions).)**Section A — Allocation and Capitalization Methods**

Attach a description (including sample computations) of the present and proposed method(s) the applicant uses to capitalize direct and indirect costs properly allocable to real or tangible personal property produced and property acquired for resale, or to allocate and, where appropriate, capitalize direct and indirect costs properly allocable to long-term contracts. Include a description of the method(s) used for allocating indirect costs to intermediate cost objectives such as departments or activities prior to the allocation of such costs to long-term contracts, real or tangible personal property produced, and property acquired for resale. The description must include the following:

- 1 The method of allocating direct and indirect costs (i.e., specific identification, burden rate, standard cost, or other reasonable allocation method).
- 2 The method of allocating mixed service costs (i.e., direct reallocation, step-allocation, simplified service cost using the labor-based allocation ratio, simplified service cost using the production cost allocation ratio, or other reasonable allocation method).
- 3 The method of capitalizing additional section 263A costs (i.e., simplified production with or without the historic absorption ratio election, simplified resale with or without the historic absorption ratio election including permissible variations, the U.S. ratio, or other reasonable allocation method).

Section B — Direct and Indirect Costs Required To Be Allocated (Check the appropriate boxes in Section B showing the costs that are or will be fully included, to the extent required, in the cost of real or tangible personal property produced or property acquired for resale under section 263A or allocated to long-term contracts under section 460. Mark "N/A" in a box if those costs are not incurred by the applicant. If a box is not checked, it is assumed that those costs are not fully included to the extent required. Attach an explanation for boxes that are not checked.)

	Present method	Proposed method
1 Direct material		X
2 Direct labor		X
3 Indirect labor		X
4 Officers' compensation (not including selling activities)		
5 Pension and other related costs		
6 Employee benefits		X
7 Indirect materials and supplies		X
8 Purchasing costs		X
9 Handling, processing, assembly, and repackaging costs		X
10 Offsite storage and warehousing costs		X
11 Depreciation, amortization, and cost recovery allowance for equipment and facilities placed in service and not temporarily idle		X
12 Depletion		
13 Rent		X
14 Taxes other than state, local, and foreign income taxes		X
15 Insurance		X
16 Utilities		X
17 Maintenance and repairs that relate to a production, resale, or long-term contract activity ..		X
18 Engineering and design costs (not including section 174 research and experimental expenses)		
19 Rework labor, scrap, and spoilage		
20 Tools and equipment		
21 Quality control and inspection		
22 Bidding expenses incurred in the solicitation of contracts awarded to the applicant		
23 Licensing and franchise costs		
24 Capitalizable service costs (including mixed service costs)		
25 Administrative costs (not including any costs of selling or any return on capital)		
26 Research and experimental expenses attributable to long-term contracts		
27 Interest		
28 Other costs (Attach a list of these costs.) <u>see statement 3</u>		X

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Part III Method of Cost Allocation (see instructions) (continued)**Section C — Other Costs Not Required To Be Allocated** (Complete Section C only if the applicant is requesting to change its method for these costs.)

	Present method	Proposed method
1 Marketing, selling, advertising, and distribution expenses		
2 Research and experimental expenses not included on line 26 above		
3 Bidding expenses not included on line 22 above		
4 General and administrative costs not included in Section B above		
5 Income taxes		
6 Cost of strikes		
7 Warranty and product liability costs		
8 Section 179 costs		
9 On-site storage		
10 Depreciation, amortization, and cost recovery allowance not included on line 11 above		
11 Other costs (Attach a list of these costs.)		

Schedule E — Change in Depreciation or Amortization (see instructions)

Applicants requesting approval to change their method of accounting for depreciation or amortization complete this section. Applicants must provide this information for each item or class of property for which a change is requested.

Note: See the *List of Automatic Accounting Method Changes* in the instructions for information regarding automatic changes under sections 56, 167, 168, 197, 1400I, 1400L, or former section 168. Do not file Form 3115 with respect to certain late elections and election revocations (see instructions).

- 1 Is depreciation for the property determined under Regulations section 1.167(a)-11 (CLADRY)? ☐ Yes ☐ No
If "Yes," the only changes permitted are under Regulations section 1.167(a)-11(c)(1)(iii).
- 2 Is any of the depreciation or amortization required to be capitalized under any Code section (e.g., section 263A)? ☐ Yes ☐ No
If "Yes," enter the applicable section ►
- 3 Has a depreciation or amortization election been made for the property (e.g., the election under section 168(f)(1))? ☐ Yes ☐ No
If "Yes," state the election made ►
- 4a To the extent not already provided, attach a statement describing the property being changed. Include in the description the type of property, the year the property was placed in service, and the property's use in the applicant's trade or business or income-producing activity.
- b If the property is residential rental property, did the applicant live in the property before renting it? ☐ Yes ☐ No
- c Is the property public utility property? ☐ Yes ☐ No
- 5 To the extent not already provided in the applicant's description of its present method, explain how the property is treated under the applicant's present method (e.g., depreciable property, inventory property, supplies under Regulations section 1.162-3, nondepreciable section 263(a) property, property deductible as a current expense, etc.).
- 6 If the property is not currently treated as depreciable or amortizable property, provide the facts supporting the proposed change to depreciate or amortize the property.
- 7 If the property is currently treated and/or will be treated as depreciable or amortizable property, provide the following information under both the present (if applicable) and proposed methods:
 - a The Code section under which the property is or will be depreciated or amortized (e.g., section 168(g)).
 - b The applicable asset class from Rev. Proc. 87-56, 1987-2 C.B. 674, for each asset depreciated under section 168 (MACRS) or under section 1400L; the applicable asset class from Rev. Proc. 83-35, 1983-1 C.B. 745, for each asset depreciated under former section 168 (ACRS); an explanation why no asset class is identified for each asset for which an asset class has not been identified by the applicant.
 - c The facts to support the asset class for the proposed method.
 - d The depreciation or amortization method of the property, including the applicable Code section (e.g., 200% declining balance method under section 168(b)(1)).
 - e The useful life, recovery period, or amortization period of the property.
 - f The applicable convention of the property.

Form 3115 (Rev. 12-2003)

PRIVATE LABEL SOURCING LLC

22-3800350

FORM 3115, PAGE 2 DETAIL

Line 12a. Description of item being changed
INVENTORY

Line 12b. Description of present method of item being changed
FULL ABSORPTION

Line 12c. Description of proposed method of item being changed
UNIFORM CAPITALIZATION

Line 12d. Description of proposed method of item being changed
ACCRUAL

STATEMENT 1

PRIVATE LABEL SOURCING LLC

22-3800350

FORM 3115, PAGE 6 DETAIL

Part II, Line 1, Description of Inventory Goods Being Changed
ALL

Part II, Line 2, Description of Inventory Goods Not Being Changed
NONE

STATEMENT 2

PRIVATE LABEL SOURCING LLC

22-3800350

FORM 3115, PAGE 6 DETAIL

Section B, Line 28, Other Costs Required to be Allocated
COMPUTER EXPENSE

STATEMENT 3

PRIVATE LABEL SOURCING LLC
SECTION 263A CALCULATION
December 31, 2003

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SALES FOR YEAR	1,670,000.00	23%
COMMISSION REVENUE	5,656,000.00	77%
TOTAL REVENUE	7,326,000.00	100%

G & A PER FINANCIAL STATEMENT	TOTAL COST	PERCENT	ALL PRODUCTION OF PRODUCTS REVENUE	263 A ALLOCABLE TO INVENTORY
PRODUCTION & DESIGN SALARIES & PAYROLLTXS	1,258,197	50%	629,099	23% 143,406.29
SAMPLE DEVELOPMENT	578,175	70%	404,723	23% 92,258.61
SHIPPING / WAREHOUSING STORAGE	0	50%	6,519	23% 1,485.93
SELLING LESS RENT/UTILITIES	421,199	0%	0	23% -
GENERAL AND ADMINISTRATIVE				0%
OFFICE SALARIES & MEMBERS	0	10%	89,417	23% 20,155.19
PAYROLL TAXES & BENEFITS	237,724	10%	23,772	23% 5,419.04
INSURANCE EXPENSE	77,902	10%	7,790	23% 1,775.82
DEPRECIATION	93,717	10%	9,372	23% 2,136.33
	0	10%	0	23% -
RENT & UTILITIES	330,317	10%	33,032	23% 7,529.75
	0	10%	0	23% -
REPAIRS & MAINTENANCE	32,787	10%	3,279	23% 747.40
COMPUTER EXPENSE	18,612	10%	1,861	23% 424.27
	0	0%	0	0%
OFFICE SUPPLIES & EXPENSES	64,400	10%	6,440	0%
TOTAL	4,010,240		1,214,303	275,339

\$ -

263A PERCENT

263A COSTS	275,339	24.72%	ENDING INV	198,842	49,161
PURCHASE PER BOOKS	1,113,676				

PER BOOKS

PURCHASES	905,570
OTHER COSTS	208,106
TOTAL PURCHASES PER BOOK	1,113,676

PRIVATE LABEL SOURCING LLC
SECTION 263A CALCULATION
December 31, 2002

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SALES FOR YEAR	20,702,855.00	75%
COMMISSION REVENUE	6,866,666.00	25%
TOTAL REVENUE	27,569,521.00	100%

G & A PER FINANCIAL STATEMENT	TOTAL COST	PERCENT	ALL PRODUCTION OF PRODUCTS REVENUE	263 A ALLOCABLE TO INVENTORY
PRODUCTION & DESIGN SALARIES & PAYROLLTXS	1,090,896	60%	545,448	75% 409,585.24
SAMPLE DEVELOPMENT	1,087,278	70%	761,095	75% 571,531.51
SHIPPING / WAREHOUSING STORAGE	0 248,915	60%	124,458	75% 93,469.32
SELLING LESS RENT/UTILITIES	728,975	0%	0	75% -
GENERAL AND ADMINISTRATIVE				0%
OFFICE SALARIES & MEMBERS	0 1,256,772	10%	125,677	75% 94,375.23
PAYROLL TAXES & BENEFITS	177,090	10%	17,709	75% 13,298.28
INSURANCE EXPENSE	81,564	10%	8,156	75% 6,124.91
DEPRECIATION	317,225	10%	31,723	75% 23,821.49
	0	10%	0	75% -
RENT & UTILITIES	364,000	10%	36,400	75% 27,333.98
	0	10%	0	75% -
REPAIRS & MAINTENANCE	25,743	10%	2,574	75% 1,933.13
COMPUTER EXPENSE	24,786	10%	2,479	75% 1,861.28
	0	0%	0	0%
OFFICE SUPPLIES & EXPENSES	60,830	10%	6,083	0%
				0%
TOTAL	5,464,074		1,661,801	1,243,334

\$ -

263A PERCENT

263A COSTS	1,243,334
PURCHASE PER BOOKS	16,335,091

7.61%

ENDING INV

281,104	21,396
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PER BOOKS

COST OF GOOD AVAIL	16,668,653
LESS: BEG INV	333,562
TOTAL PURCHASES PER BOOK	16,335,091

Form **8800**
(Rev. September 2003)
Department of the Treasury
Internal Revenue Service

Application for Additional Extension of Time to File
U.S. Return for a Partnership, REMIC, or for Certain Trusts

OMB No. 1545-1057

► File a separate application for each return.

Type or print. File the original and one copy by the due date for filing the return for which an extension is requested. See instructions.	Name PRIVATE LABEL SOURCING, LLC	Employer identification number 22-3800350
	Number, street, and room or suite no. (If a P.O. box, see instructions.) 470 BROOME STREET	
	City or town, state, and ZIP code. If a foreign address, enter city, province or state, and country. Follow the country's practice for entering the postal code. NEW YORK, NY 10013	

- 1 I request an additional extension of time until OCTOBER 15, 2004, to file (check only one):
☐ Form 1041 ☐ Form 1041-N ☐ Form 1041-QFT ☒ Form 1065 ☐ Form 1065-B ☐ Form 1066
- 2 If the entity does not have an office or place of business in the United States, check this box ☐
- 3 a For calendar year 2003, or other tax year beginning _____, and ending _____
 b If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 4 Explain why the entity needs an extension. All entities filing this form must give an adequate explanation.
ADDITIONAL TIME IS NEEDED TO OBTAIN ALL INFORMATION NECESSARY FROM THIRD PARTIES TO PREPARE A COMPLETE AND ACCURATE INCOME TAX RETURN.

- 5 Has the entity filed Form 8736 to request an extension of time to file for this tax year? ☒ Yes ☐ No
 If you checked "No," we will grant an extension only for undue hardship. Fully explain the hardship on line 4.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature _____ Title _____ Date _____

File original and one copy. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant - To Be Completed by the IRS.

- ☐ We have approved this application. Please attach this form to the entity's return.
☐ We have not approved this application.
 However, we have granted a 10-day grace period to _____. This grace period is considered a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the entity's return.
☐ We have not approved this application. After considering the reasons stated in item 4 above, we cannot grant this request for an extension of time to file. We are not granting a 10-day grace period.
☐ We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
☐ Other: _____

By: _____ Date _____

Director

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Type or print	Name PRIVATE LABEL SOURCING, LLC	
	C/O MAHONEY COHEN & COMPANY, CPA, P.C.	
	Number, street, and room or suite no. (If a P.O. box, see instructions.) 1065 AVENUE OF THE AMERICAS	
	City or town, state, and ZIP code. If a foreign address, enter city, province or state, and country. Follow the country's practice for entering the postal code. NEW YORK, NY 10018	

JWA For Paperwork Reduction Act Notice, see instructions.
320021
12-01-03

Form 8800 (Rev. 9-2003)

10250713 797696 223800350

2003.05040 PRIVATE LABEL SOURCING, LLC 22380031

Form **8736**
(Rev. October 2003)Department of the Treasury
Internal Revenue Service**Application for Automatic Extension of Time
To File U.S. Return for a Partnership, REMIC,
or for Certain Trusts**

OMB No. 1545-1054

▶ File a separate application for each return.

Type or print.	Name		Employer identification number
	PRIVATE LABEL SOURCING, LLC		22-3800350
	Number, street, and room or suite no. If a P.O. box, see instructions.		
File by the due date for filing the return for which an extension is requested.	470 BROOME STREET		
	City or town, state, and ZIP code. If a foreign address, enter city, province or state, and country. Follow the country's practice for entering the postal code.		
NEW YORK, NY 10013			

1 I request an automatic 3-month extension of time to file (check only one):

☐ Form 1041 ☐ Form 1041-N ☐ Form 1041-QFT ☒ Form 1065 ☐ Form 1065-B ☐ Form 1066
2 If the entity does not have an office or place of business in the United States, check this box ▶ ☐3 a For calendar year 2003, or other tax year beginning _____, and ending _____

b If this tax year is for less than 12 months, check reason:

☐ Initial return ☐ Final return ☐ Change in accounting period

4 If this extension is requested for Form 1041, 1041-N, 1041-QFT, 1065-B, or 1066, enter the following amounts:

a Tentative total tax from Form 1041, 1041-N, 1041-QFT, 1065-B, or 1066 (see instructions) \$ _____

b Refundable credits and estimated tax payments, including any prior year overpayment allowed as a credit, from Form 1041, 1041-N, 1041-QFT, or 1065-B (see instructions). REMICs, enter -0- \$ _____

c Balance due. Subtract line 4b from line 4a. If zero or less, enter -0-. Enclose payment, if any, with Form 8736 (see instructions) ▶ \$ 0.

Caution: Interest will be charged on any tax not paid by the regular due date of Forms 1041, 1041-N, 1041-QFT, 1065-B, and 1066 from the due date until the tax is paid.

1065 Form Department of the Treasury Internal Revenue Service		U.S. Return of Partnership Income For calendar year 2004, or tax year beginning _____ and ending _____		OMB No. 1545-0069 2004
A Principal business activity IMPORTER	Use the IRS label. Other: When, print or type.	Name of partnership PRIVATE LABEL SOURCING, LLC Number, street, and room or suite no. If a P.O. box, see page 14 of the instructions. 597 BROADWAY City or town, state, and ZIP code NEW YORK, NY 10012		<input type="checkbox"/> Employer identification number 22-3800350 <input type="checkbox"/> Date business started 07/01/2001 <input type="checkbox"/> Total assets \$ 2,366,943.
B Principal product or service WOMEN'S APPAREL				
C Business code number 424300				
D Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input checked="" type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return				
H Check accounting method: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) _____				
I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year 2				

Caution: Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1 a Gross receipts or sales	1a	6,358,441.			6,204,611.
	b Less returns and allowances	1b	153,830.	1b		
	2 Cost of goods sold (Schedule A, line 8)	2		2		5,715,320.
	3 Gross profit. Subtract line 2 from line 1c	3		3		489,291.
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)	4		4		
	5 Net farm profit (loss) (attach Schedule F (Form 1040))	5		5		
	6 Net gain (loss) from Form 4797, Part II, line 17	6		6		
	7 Other income (loss) (attach schedule) SEE STATEMENT 3	7		7		3,838,391.
	8 Total income (loss). Combine lines 3 through 7	8		8		4,327,682.
Deductions (see instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)	9		9		1,796,672.
	10 Guaranteed payments to partners	10		10		304,000.
	11 Repairs and maintenance	11		11		36,686.
	12 Bad debts	12		12		
	13 Rent	13		13		265,919.
	14 Taxes and licenses SEE STATEMENT 4	14		14		141,674.
	15 Interest	15		15		64,751.
	16 a Depreciation (if required, attach Form 4562)	16a	50,139.	16a		
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16b		50,139.
	17 Depletion (Do not deduct oil and gas depletion.)	17		17		
	18 Retirement plans, etc.	18		18		58,795.
	19 Employee benefit programs	19		19		208,435.
	20 Other deductions (attach schedule) SEE STATEMENT 5	20		20		1,092,425.
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20	21		21		4,019,496.	
22 Ordinary business income (loss). Subtract line 21 from line 8	22		22		308,186.	

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.	May the IRS discuss this return with the preparer shown below (see instruction 3)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Signature of general partner or limited liability company member _____ Date _____	
Paid Preparer's Use Only	Preparer's signature _____ Date _____ Firm's name (or your own if self-employed), address, and ZIP code MAHONEY COHEN & COMPANY, CPA, P.C. 1065 AVENUE OF THE AMERICAS NEW YORK, NY 10018	Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN 133-48-6153 EIN 13-2806641 Phone no. 212-790-5700

Form 1065 (2004) **PRIVATE LABEL SOURCING, LLC** 22-3800350 Page 2**Schedule A Cost of Goods Sold** (see page 19 of the instructions)

1	Inventory at beginning of year	1	248,003.
2	Purchases less cost of items withdrawn for personal use	2	4,376,354.
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	719,910.
5	Other costs (attach schedule)	5	1,359,395.
6	Total. Add lines 1 through 5	6	6,703,662.
7	Inventory at end of year	7	988,342.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	5,715,320.

a Check all methods used for valuing closing inventory:

- (i) ☐ Cost as described in Regulations section 1.471-3
 (ii) ☒ Lower of cost or market as described in Regulations section 1.471-4
 (iii) ☐ Other (specify method used and attach explanation) ▶

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- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶ ☐
 c Check this box if the LIFO inventory method was adopted this tax year for any goods. (If checked, attach Form 970) ▶ ☐
 d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? ☒ Yes ☐ No
 e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☒ No
 If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 What type of entity is filing this return? Check the applicable box: a <input type="checkbox"/> Domestic general partnership b <input type="checkbox"/> Domestic limited partnership c <input checked="" type="checkbox"/> Domestic limited liability company d <input type="checkbox"/> Domestic limited liability partnership e <input type="checkbox"/> Foreign partnership f <input type="checkbox"/> Other ▶		
2 Are any partners in this partnership also partnerships?		X
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment		X
4 Did the partnership file Form 9893, Election of Partnership Level Tax Treatment, or an election statement under section 6251(a)(1)(B)(i) for partnership-level tax treatment, that is in effect for this tax year? See Form 9893 for more details		X
5 Does this partnership meet all three of the following requirements? a The partnership's total receipts for the tax year were less than \$250,000; b The partnership's total assets at the end of the tax year were less than \$600,000; and c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item N on Schedule K-1		X
6 Does this partnership have any foreign partners? If "Yes," the partnership may have to file Forms 3304, 8805 and 8873. See page 20 of the instructions		X
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 Has this partnership filed, or is it required to file, Form 8264, Application for Registration of a Tax Shelter?		X
9 At any time during calendar year 2004, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 20 of the instructions for exceptions and filing requirements for Form TD F-90-22.1. If "Yes," enter the name of the foreign country. ▶		X
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 21 of the instructions		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under Elections Made by the Partnership on page 9 of the instructions		X
12 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ▶		

Designation of Tax Matters Partner (see page 21 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	Identifying number of TMP ▶
Address of designated TMP ▶	
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